

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 6743**

**BILL NUMBER: SB 143**

**DATE PREPARED:** Dec 12, 1998

**BILL AMENDED:**

**SUBJECT:** Legislators' pensions.

**FISCAL ANALYST:** James Sperlik

**PHONE NUMBER:** 232-9866

**FUNDS AFFECTED: X GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill provides that a legislator who: (1) completed service in the General Assembly before April 30, 1989; (2) served at least ten years as a member of the General Assembly; and (3) is not a member of another public retirement fund, may participate in the Defined Benefit Plan of the Legislators' Retirement System.

**Effective Date:** July 1, 1999.

**Explanation of State Expenditures:** This proposal would allow former members of the General Assembly to become members of the Legislators' Defined Benefit Plan provided they completed service as a member of the General Assembly before April 30, 1989 with at least ten years of service and are not a member of another public pension plan. There are ten additional members who would qualify to participate in this program. It has been assumed that these ten would have the same average age and average service as the current group of the members in the Legislators' Defined Benefit Plan.

Based on the above assumptions and the 1997 Actuarial Valuation, the impact appears below:

Estimated increase in unfunded liability: \$416,160

Estimated increase in annual funding: \$33,293

The fund affected is the state **General Fund**.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Public Employees' Retirement Fund as administrators of the Legislators' Defined Benefit Plan.

**Local Agencies Affected:**

**Information Sources:** Doug Todd of McCready & Keene, Inc., actuaries for the Legislators Plan, 576-1508.